OLC 76-3035 19 October 1976

SUBJECT: Briefing of Chairman Lucien N. Nedzi (D., Mich.), Special Subcommittee on Intelligence, House Armed Services Committee 1. On 19 October 1976, the Director met with Chairman Nedzi to brief him on the following topics: Castro's 15 October 1976 speech; China; and the FOXBAT. 2. Present from the Subcommittee was: Chairman Nedzi 3. Present from the Subcommittee staff was: Frank M. Slatinshek, Chief Counsel 4. Accompanying the Director were: 25X1 25X1 25X1 25X1 5. Castro's speech reviewed the facts on the agent and our non-involvement with any groups involved in the terrorist incident, or for that matter, any covert action against Cuba. He also mentioned our fear of retaliation against our personnel because of Castro's allegation. In response to Mr. Nedzi's question, indicated there was some basis for believing that Cuban exiles were involved, particularly Dossible involvement of the members of the Cuban community in Miami was the responsibility of the FBI, and the Agency was proscribed from domestic activities, but registered his concerns over any terrorist activities mounted with support of individuals in the U.S. Picking		MEMORANDUM FOR THE RECORD	
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up on earlier comment concerning retaliation against our personnel, he asked if we had registered our concern with the Administration and if we knew whether the Administration was cracking down and pushing the investigation. (Mr. Tony Lapham, General Counsel, is checking with the Department of Justice on this matter at the request of the Director.)

6. arose in connection with the discussion of the Cuban matter. Mr. Nedzi was assured of our cooperation with the FBI and Justice in their investigation within the constraints of the guidelines of Executive Order 11905. The Department of Justice for its part is sensitive to the Catch 22 dilemma of subjecting sensitive sources to revelation in the course of legal proceedings if we are able to produce any helpful intelligence.

7. reviewed the background and correspondence involved. The Director felt assured that we had not exerted pressure on the INS and agreed with Mr. Nedzi that the correspondence could be used to make it appear otherwise. Mr. Nedzi queried if we had any relationships with other 'war criminals.' It was indicated that nothing had surfaced so far but we would run a check on the individuals identified by INS for possible deportation but we had no way of retrieving 'war criminal' files as such.

9. China - Mr. Lilley provided a briefing on the struggle and changes in the PRC. The animosity towards the Russians was felt equally by both sides. Important factors to watch are trade with Western countries, which is on the rise (despite the AN-12 purchase), and moderation on the Taiwan issue to influence U.S. support on the Soviet Union issue. Mr. Lilley was cautious on whether the long-term outcome would be beneficial to U.S. interests. The Director was even more cautious, indicating that U.S. interests were also served while the two factions contended with each other and there might be more problems ahead with a unified structure.

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10. The session commenced prior to the arrival of the Director and Mr. Lilley. initiated the briefing on the Castro speech. Also during the session, the Director had to excuse himself twice to call the Attorney General.

11. Mr. Nedzi, referring to an item in the <u>Detroit Free Press</u> concerning a story out of Japan, asked if we had <u>any information that</u> Kim Il-song, North Korean leader, had been arrested by his son. Mr. Lilley explained we were aware of the story, that we had no hard information to confirm it, and that Il-song is grooming his son to be his successor.

12. Follow-ups: possible relationships with war criminals on the INS deportation list; comparative evaluation of

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registering our concern with the Department of Justice over implication for our personnel as a result of terrorist incidents (Mr. Lapham is handling).

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Deputy Legislative Counsel

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